

**MINUTES OF A REGULAR MEETING OF
THE TORRANCE WATER COMMISSION**

1. CALL TO ORDER

The Torrance Water Commission convened in a regular session at 7:00 p.m. on Thursday, August 18, 2011 in the West Annex Meeting Room at Torrance City Hall.

2. ROLL CALL:

Present: Commissioners Deemer, Haddon, Lefevre,
Lew, McCabe*, and Chairperson McGee.

Absent: Commissioner See.

Also Present: Public Works Director Beste,
Deputy Public Works Director van der Linden,
Senior Administrative Analyst Schaich,
Supervising Administrative Assistant Kay, and
Metropolitan Water District Director Wright.

*Commissioner McCabe arrived at 7:16 p.m.

MOTION: Commissioner Haddon moved to grant Commissioner See an excused absence for the August 18, 2011 Water Commission meeting. Commissioner Lefevre seconded the motion; a voice vote reflected unanimous approval.

3. FLAG SALUTE

Commissioner Lefevre led the Pledge of Allegiance.

4. AFFIDAVIT OF POSTING

MOTION: Commissioner Lefevre moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Deemer seconded the motion; a voice vote reflected unanimous approval.

5. APPROVAL OF MINUTES

5A. MINUTES OF JULY 21, 2011

MOTION: Commissioner Lew moved for the approval of the July 21, 2011 Water Commission meeting minutes as submitted. Commissioner Lefevre seconded the motion; a voice vote reflected unanimous approval (absent Commissioner See and with Chairperson McGee abstaining).

6. ORAL COMMUNICATIONS FROM PUBLIC

Deputy Public Works Director van der Linden introduced Supervising Administrative Assistant Carol Kay from the Public Works Department.

7. NEW BUSINESS

7A. UPDATE REGARDING LEGAL MATTERS INCLUDING STATUS OF THE CONJUNCTIVE USE PROGRAM, THE CENTRAL BASIN MUNICIPAL WATER DISTRICT GROUNDWATER STORAGE PLAN, AND LITIGATION BY THE SAN DIEGO WATER AUTHORITY

Public Works Director Beste began his presentation with information about the San Diego Water Authority (SDCWA) litigation against Metropolitan Water District (MWD). He reported that SDCWA's most recent lawsuit was filed in June 2010 challenging MWD's current wholesale water rate structure adopted in April 2010, specifically State Water Project transportation costs and Water Stewardship costs. He stated that they have their own rate structure and do not want to be dependent on MWD; however, they previously agreed to forfeit all MWD local resource program subsidies if they sued. He discussed SDCWA's agreement with Imperial Irrigation District (IID) in 2003 and their decision to "wheel" IID water through the MWD system rather than build a new aqueduct. He stated that their proposed reallocation of transportation costs represents a major shift to other agencies and goes against the cost-sharing methodologies that most agencies use.

Commissioner Deemer initiated a brief discussion regarding MWD's variable rate component System Power.

MWD Director Wright discussed San Diego's proposal to build a canal in Tijuana as well as environmental problems caused by drainage water from IID going into the Salton Sea.

In response to Commissioner Deemer's inquiry, Public Works Director Beste stated that IID's structure is similar to MWD's structure and that the City of San Diego has all the voting power.

Public Works Director Beste provided background on the conjunctive use program and the process initiated in late 2006 that proved to successfully reach accord with almost all groundwater producers with the exception of a few entities. He stated that both Central Basin and West Basin filed separate court motions to open respective judgments regarding adjudications to accommodate storage carryover. He discussed some of the reasons for opposition that include Water Replenishment District serving as the groundwater management authority and replenishment assessments.

Responding to Commissioner Deemer's inquiry, he explained that everything west of the Newport-Inglewood fault is the West Basin and everything east of the fault is the Central Basin, noting that these are the only two adjudicated Basins in the State that have one replenishment district over them.

Public Works Director Beste stated that West Basin took the case to Superior Court, the judge asked for an environmental report, and this requirement was appealed in June 2011, with a formal ruling expected by September 2011. He noted, however, that the judge has retired and the process will need to start over with a new judge.

MWD Director Wright and staff discussed some of the benefits of conjunctive use that include lower evaporation rate and emergency storage.

Public Works Director Beste presented information about recent Central Basin Municipal Water District's (CBMWD) actions. He provided background and noted that CBMWD's biggest customer is currently WRD. He stated that they are looking to become the groundwater masters now through legislation, litigation, and implementation of various programs. He noted they are trying to change their entire mission and have supported and sponsored legislation for split replenishment assessment in the basins. He noted that West Basin Water Association and other groups are actively opposed to CBMWD's actions and believe that it attempts to undermine WRD's primacy role in groundwater management for both Basins. He reported that CBMWD also wants to use Los Angeles County's spreading grounds and that he met this week with Los Angeles County to urge them to reaffirm the primacy of WRD's role in use of spreading grounds.

He discussed recent attempts by Downey, Cerritos and Signal Hill to split the Basin assessment. He stated that they won their lawsuit in Superior Court claiming that WRD's rate setting process was not valid, and it was decided that WRD rates are subject to Proposition 218 requirements. He noted that this matter is likely subject to additional legal proceedings and, even if the ruling stands, WRD would just recollect assessments from all pumpers after Proposition 218 notification.

It was noted that an April 8, 2011 letter from WRD regarding the CBMWD's proposed Groundwater Storage Program and a fact sheet on the SDCWA lawsuit against MWD were included in agenda packets.

In response to Chairperson McGee's inquiry, MWD Director Wright stated that MWD is storing water in groundwater basins in the Central Valley.

Responding to Commissioner McCabe's inquiry, Senior Administrative Analyst Schaich stated that residents are allowed to capture rainwater above ground with barrels or cisterns as long as there are not mosquitoes.

8. METROPOLITAN WATER DISTRICT DIRECTOR'S REPORT

MWD Director Wright distributed his August 18, 2011 report to Mayor and Councilmembers on August MWD activities.

With the aid of slides, he provided an update on MWD's Water Supply Conditions as of August 14, 2011. Referring to the State Water Project, he noted that runoff from the Northern Sierras is 128% of normal and the main reservoir, Lake Oroville, is full. He stated that the upper Colorado River snow pack is 500% of normal as of July 7, 2011, with Lake Mead at 47% and Lake Powell at 76%. He noted that even though Diamond Valley Lake is full, MWD is bringing water down from Northern California and sending it to San Diego in order to generate additional power.

Responding to Commissioner Lew's inquiry, MWD Director Wright stated that MWD tries to be prepared for a 30-year drought on the Colorado but that the State Water Project is on a year-to-year basis.

He stated that this year MWD is struggling to sell 1.7 million acre-feet of water due to increased conservation and discussed the challenge it faces to pay for infrastructure. A brief discussion centered on the proposal for agencies to put general cost of water on property taxes.

9. WEST BASIN WATER ASSOCIATION REPORT

Deputy Public Works Director van der Linden reported that he was unable to attend the August 2011 Association meeting but that major topics of discussion centered on conjunctive use and other legal matters.

10. MONTHLY DEPARTMENT REPORT

Deputy Public Works Director van der Linden noted that the Monthly Department Report for June 2011 was included in agenda packets. He reported that total water production in July 2011 was nearly the same as July 2010; however, potable water production increased by nearly 6%. He stated that there were five water main breaks in July, that the Goldsworthy Desalter is producing 180 acre-feet per month, and Well #9 is producing 200 acre-feet per month.

In response to Chairperson McGee's inquiry, Public Works Director Beste stated that design for the Yukon site is 30% complete and, once the new operations center is constructed, production from Well #9 is expected to increase.

11. ORALS

11A. Senior Administrative Analyst Schaich announced the City's Ethics Training on August 24, 2011.

11B. Commissioner Lefevre requested an excused absence for the September 15, 2011 Commission meeting.

11C. Commissioner Deemer discussed the Sierra Club's report on how various cities are not being successful in conservation programs.

12. ADJOURNMENT

MOTION: At 8:40 p.m., Commissioner Haddon moved to adjourn the meeting to September 15, 2011 at 7:00 p.m. in the West Annex Commission meeting room. Commissioner Deemer seconded the motion and, hearing no objection, Chairperson McGee so ordered.

Approved as Submitted January 19, 2012 s/ Sue Herbers, City Clerk
